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## **Deindustrialization, the Linwood Car Plant and Scotland's Political Divergence from England in the 1960s and 1970s**

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### *Abstract*

Scotland's political divergence from England is a key theme in late twentieth century British history. Typically seen in terms of the post-1979 Thatcher effect, this in fact developed over a longer timeframe, rooted in industrial changes revealed by analysis of the Linwood car plant in Renfrewshire. Conservatism and Unionism was an eminent political force in Scotland in the 1940s and 1950s. But in all general elections from 1959 onwards the vote share of Conservative and Unionist candidates was lower in Scotland than in England. From the late 1960s onwards there were also ambitions for constitutional change. This article breaks new conceptual and empirical ground by relating these important markers of political divergence to popular understanding among Scottish workers of deindustrialization. A Thompsonian moral economy framework is deployed. Expectations were elevated by industrial restructuring from the 1950s, with workers exchanging jobs in the staples for a better future in assembly goods. Labour governments earned a reputation in Scotland as better managers of this process than Conservative governments. The 1979 general election showed that Labourism was growing in popularity in Scotland just as its appeal faded in England. At Linwood moral economy expectations were compromised, chiefly by intermittent redundancy and recurrent threat of closure, which was averted in 1975 by Labour government intervention. When the plant was shut in 1981 criticisms of UK political-constitutional structures and Conservatism were intensified

Scotland's political divergence from England has deep roots. It was widened by the unpopularity in Scotland of Margaret Thatcher's Conservative governments first elected in 1979 but did not originate with them.<sup>1</sup> The Conservative and Unionist vote share was larger in Scotland than in England in the UK general elections of 1945 and 1950, and only marginally smaller in those of 1951 and 1955. The electoral share of Conservatism and Unionism in Scotland peaked in 1955, at 50.1 per cent. At every subsequent general election the Conservative and Unionist share of votes was lower in Scotland than England: by 2.5 per cent in 1959, 14 per cent in October 1974 and more than 20 per cent in 1987. Labour's vote share in Scotland generally matched or exceeded its vote share in England in general elections from 1945 to 2010. Only in October 1974 was Labour in England significantly ahead of Labour in Scotland, 40.1 per cent of vote share to 36.3 per cent.<sup>2</sup>

Labour was only narrowly out-voted in Scotland by Conservatism and Unionism in 1951, 1955 and 1959. It became the dominant force from 1964 despite the emerging challenge posed by the Scottish National Party (SNP), which dented Labour's vote share before the 1980s only in the February and October 1974 general elections. The national question was an important element in Scotland's divergent political path from the 1960s. Ambitions for constitutional change were frustrated in the 1970s, grew in the 1980s as 'democratic deficit' arguments were strengthened by the Thatcher effect,<sup>3</sup> and were partly realized in 1999 when a Scottish Parliament was established with selected powers retained at Westminster. Scotland's distinct trajectory was consolidated by devolution. The SNP was continuously in office from 2007 and in various areas of social policy laid substantial claims to a more progressive agenda than UK governments, especially with the pursuit of 'austerity' by the Conservative-Liberal coalition from 2010.<sup>4</sup> Future constitutional changes remain possible, the question unresolved by

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<sup>1</sup> David Torrance, *'We In Scotland'. Thatcherism in a Cold Climate* (Edinburgh, 2009).

<sup>2</sup> Steven Kendrick and David McCrone, 'Politics in a Cold Climate: The Conservative Decline in Scotland', *Political Studies*, 37 (1989), 589-603, with electoral data at 590.

<sup>3</sup> James Mitchell, *Conservatives and the Union. A Study of Conservative Party Attitudes to the Union* (Edinburgh, 1990), 117-21.

<sup>4</sup> BBC News, Scotland Business, 'Scottish government unveils "living wage nation" plans', 12 November 2017, <http://www.bbc.co.uk/news/uk-scotland-scotland-business-41956518>, accessed 13 November 2017; Scottish

the 2014 referendum on Scottish Independence, not least because the 2016 UK referendum on European Union membership reinforced Scotland's political divergence from England. Remain was supported by 62 per cent of the voters and there were Remain majorities in all 32 of Scotland's local authority areas.<sup>5</sup>

The deep origins of the anti-Conservative turn in Scottish politics and long-run support for constitutional change are obscured in the literature by an understandable focus on the alienating results of Thatcherism in the 1980s.<sup>6</sup> Two valuable exceptions can be cited. Kendrick and McCrone argued in 1989 that changing economic and social structures had an important bearing on the 'Conservative Decline'. Of note was the emergent perception from the 1950s, encouraged by the operation of regional policy, that Scotland was a distinct economic unit. Significantly higher levels of local authority housing tenure also contributed in the 1960s and 1970s to a 'collectivist bias' in Scotland's politics that pre-dated Thatcherism. In Scotland 41 per cent of households in 1961 were local authority rentals, rising to 53 per cent in 1971 and 55 per cent in 1981. In England and Wales just 23 per cent were local authority rentals in 1961, with only modest growth to 28 per cent in 1971 and 29 per cent in 1981.<sup>7</sup> More recently Foster linked the movement away from Conservatism and Unionism in Scotland in the 1960s to changes in the ownership and structure of industry. Coal nationalization plus the shrinkage of shipbuilding and metals, accompanied by a corresponding growth of new sectors controlled from outwith Scotland, drained 'traditional' elites of their economic power and political influence.<sup>8</sup> Scotland continued to be regarded

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Government, 'Stark reality of UK Government welfare cuts', 29 June 2017, <https://beta.gov.scot/news/stark-reality-of-uk-government-welfare-cuts>, accessed 13 November 2017.

<sup>5</sup> BBC News, EU Referendum: Scotland backs Remain as UK votes Leave, 24 June 2016, <https://www.bbc.co.uk/news/uk-scotland-scotland-politics-36599102>; accessed 14 December 2018.

<sup>6</sup> T. M. Devine, *The Scottish Nation, 1700-2000* (London, 1999), 591-9; Christopher Harvie, *No Gods and Precious Few Heroes: Twentieth Century Scotland* (Edinburgh, 1998), 164; Kenneth O. Morgan, *The People's Peace: British History, 1945-1990* (Oxford, 1992), 445-9, 466-7.

<sup>7</sup> Kendrick and McCrone, 'Politics in a Cold Climate', 597, 600.

<sup>8</sup> John Foster, 'The Twentieth Century, 1914-1979', in R. A. Houston and W. W. J. Knox, eds, *The New Penguin History of Scotland* (London, 2001), 417-93.

by its policy-makers and broader public as an *industrial nation*.<sup>9</sup> The protection of this status in the 1950s and 1960s was increasingly led by the labour movement. Trade unions responded to lost internal Scottish control over economic assets by campaigning for devolution, a theme first examined by one of the authors in 2008.<sup>10</sup>

This article revisits the pre-1979 industrial politics of devolution with a new reading of the car plant at Linwood in Renfrewshire. This was opened in 1963 by the Rootes group with investment by Harold Macmillan's Conservative government. Ownership passed to the US multinational Chrysler in 1966-67, and then to Peugeot-Citroen in 1978. Linwood grew in the 1960s with financial support from Harold Wilson's Labour government. Its closure was averted by Wilson's later government, in 1975, but allowed to close by Thatcher's Conservative government in 1981. The analysis is moved forward chiefly in conceptual terms, although new data is also used. A Thompsonian moral economy framework is adopted to explain popular understanding of the industrial changes that shaped Scotland's distinct political trajectory from the late 1950s. This co-existed with a social democratic policy-makers' moral economy until the 1970s which accepted the state's obligation to maintain security. The popular moral economy framework was developed in a 2013 discussion of the coalfields. Workers in Scotland tolerated policy-shaped changes to industrial employment where their longer-term economic security was protected, and when their trade union and political representatives were involved in managing the process of restructuring. The popular moral economy has wider relevance because employment changes in mining were predicated on the local provision of new industry.<sup>11</sup> It is deployed here for the first time systematically in a study of industrial politics outwith coal. Linwood was a prime example of how moral economy considerations shaped industrial transition in the 1960s and 1970s. The ostensible guarantee of a sustainable industrial future was central to the public legitimacy of Scotland's policy-driven economic changes. Conservative governments from the 1950s to the 1970s were seen in the communities affected by restructuring as departing from this moral bargain. The electoral popularity of

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<sup>9</sup> Ewan Gibbs and Jim Tomlinson, 'Planning the new industrial nation: Scotland, 1931-1979', *Contemporary British History*, 30.4 (2016), 585-606.

<sup>10</sup> Jim Phillips, *The Industrial Politics of Devolution: Scotland in the 1960s and 1970s* (Manchester, 2008), *passim*.

<sup>11</sup> Jim Phillips, 'The Moral Economy and Deindustrialization in the Scottish Coalfields, 1947-1991', *International Labor and Working Class History*, 84 (2013), 99-115.

Conservatism and Unionism was damaged as a result, especially because Labour governments, by contrast, were regarded as more faithful guardians of industrial employment and economic security.<sup>12</sup>

The shift of workers in the late 1950s from coal and shipbuilding into motor vehicles and other forms of engineering was evidence in Scotland of early onset deindustrialization. In 1958 the employment share of mining and quarrying, manufacturing and construction combined was 50.4 per cent. This slipped to 45.6 per cent in 1968 and then 39.0 per cent in 1978.<sup>13</sup> Deindustrialization was thus a central feature of economic and social life for at least two decades before the Conservative governments led by Margaret Thatcher were first elected. The political consequences in Scotland underline the recent intervention by one of the authors, positioning deindustrialization as a more fertile meta-narrative of post-1945 British history than decline.<sup>14</sup> The trend towards Labour in Scotland, particularly in the second half of the 1970s, refines the claim advanced by Robinson, Schofield, Sutcliffe-Braithwaite and Thomlinson that there was no simple transition from social democracy to neoliberalism in Britain. Citing evidence from ‘lived experience’ in England in the 1970s, these authors assert that ‘popular individualism’ was becoming a highly prominent social force across Britain.<sup>15</sup> In Scotland, in fact and by contrast, the pursuit of working class economic security demonstrated the continued salience of collectivism. Income from industrial employment was prioritized, protected via trade union organization and the policy effort of a Labour government elected in 1974 which gradually become more popular in Scotland just as its attractions waned in England. The Scottish Trades Union Congress (STUC) and other labour movement advocates saw Home Rule within the UK as a means of reinforcing the protection of industrial employment. Home Rule was blocked in 1979, but remained firmly on the agenda as the

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<sup>12</sup> Ewan Gibbs, ‘The Moral Economy of the Scottish Coalfields: Managing Deindustrialization under Nationalization c. 1947-1983’, *Enterprise and Society*, 19.1 (2018), 124-152.

<sup>13</sup> *Digest of Scottish Statistics*, 16 (October 1960), Tables 29 and 30; *Digest of Scottish Statistics*, 34 (October 1969), Tables 39 and 40; *Scottish Abstract of Statistics*, 10 (1981), Table 9.3.

<sup>14</sup> Jim Tomlinson, ‘De-industrialization not decline. A new meta-narrative for post-war British history’, *Twentieth Century British History*, 27.1 (2016), 76-99.

<sup>15</sup> Emily Robinson, Camilla Schofield, Florence Sutcliffe-Braithwaite and Natalie Thomlinson, ‘Telling Stories about Post-war Britain: Popular Individualism and the “Crisis” of the 1970s’, *Twentieth Century British History*, 28.2 (2017), 268-304.

political divergence between Scotland and England widened in the 1980s. The manner in which the Thatcher governments managed – or mismanaged – deindustrialization contributed to the further erosion of electoral support in Scotland for the Conservative Party, and reinvigorated popular interest in devolution and independence.<sup>16</sup>

The case of Linwood exemplifies these related industrial and political changes. The promise of greater economic security was only partly realized. Pay disparity was one problem: wages at Linwood were below the national industry average until 1972. This antagonized Linwood workers who viewed the injustice in national as well as class terms. Redundancy was another source of tension. Labour governments intervened in the late 1960s and mid-1970s, protecting large-scale job losses and averting the plant's shutdown when this was threatened by Chrysler. A rundown in investment, production and employment ensued, before Thatcher's government accepted Peugeot-Citroen's decision to close the plant in February 1981. Almost 5,000 workers were immediately made redundant. At Linwood the question of Scottish nationhood was more or less ever-present in debates about economic security, unsurprisingly, given the primacy of UK policy intervention in establishing the plant in the 1960s and maintaining it in the 1970s. The closure crystallized criticisms of UK policy and constitutional structures as well as consolidating electoral disaffection with the Conservative Party.

The rest of this article is structured in three parts. The linked politics of deindustrialization and devolution, and Labour's growing ascendancy in Scotland, are examined first. Analysis then moves to Linwood, exploring how its labour process cultivated moral economy feeling, contributed to popular understanding of deindustrialization, and advanced support for devolution. The final part shows how the frustration of moral economy expectations at Linwood in the second half of the 1970s and early 1980s reinforced Scotland's divergence from England. The article breaks new empirical as well as conceptual ground, using previously unused archive materials. These include government papers outlining various inter-actions involving ministers and civil servants, employers, trade unions and local

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<sup>16</sup> Andy Clark, "Stealing our Identity and Taking it Over To Ireland": Deindustrialization, Resistance and Gender in Scotland', in Steven High, Lachlan MacKinnon and Andrew Perchard, eds, *The Deindustrialized World: Confronting Ruination in Postindustrial Places* (Vancouver, 2017), 331-347; Andrew Perchard, "Broken Men" and "Thatcher's Children": Memory and Legacy in Scotland's Coalfields', *International Labor and Working Class History*, 84 (2013), 78-98.

authority representatives. Plant-level company records are also utilized, along with STUC General Council papers, and new interviews conducted by one of the authors with ex-Linwood workers.

### **Deindustrialization and Devolution**

Changes in industrial employment in Scotland from the late 1950s reflected the broad objectives of policy-makers: greater aggregate growth and enhanced living standards. The process of restructuring was painful for workers made redundant in metals, shipbuilding, textiles and especially coal mining, where employment fell from 86,000 in 1957 to 36,000 in 1967.<sup>17</sup> The shrinkage of the other historic staples was presented by policy-makers as releasing workers and capital for higher-growth alternatives. Public money was involved, redeveloping industrial sites, and incentivizing multinationals to locate in areas of above-average unemployment with rent-free factories plus grants and loans for capital equipment.<sup>18</sup> The overall shrinkage of industrial employment across the 1960s was accompanied by a changing sectoral composition. In Lanarkshire, Scotland's historic industrial core, coal's share of male employment shrank from 15.5 per cent in 1951 to just 2.8 per cent in 1971, while engineering's portion of male employment rose from 9.9 per cent to 25.6 per cent.<sup>19</sup> The industrial remix contributed to the change in industry ownership and structure highlighted by Foster as a weighty factor in the waning of Conservatism and Unionism in Scotland.<sup>20</sup> Concerns expressed by many in Scotland about the loss of local control were aggravated as the growth of new industry stalled around 1966, with early signs of the 'retreat' of multinational firms that became more visible in the 1970s and the 1980s.<sup>21</sup>

Restructuring in the 1950s and 1960s was shaped by contrasting policy-makers' and workers' moral economies. The policy-makers' version was shared by social democrats and 'middle way' Conservatives from the 1940s to the 1960s at UK level, and emphasized the rights and responsibilities of

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<sup>17</sup> Miles K. Oglethorpe, *Scottish Collieries. An Inventory of the Scottish Coal Industry in the Nationalised Era* (Edinburgh, 2006), p. 20.

<sup>18</sup> Gibbs and Tomlinson, 'Planning the new industrial nation'.

<sup>19</sup> Gibbs, 'Moral Economy of the Scottish Coalfields'.

<sup>20</sup> Foster, 'Twentieth Century'.

<sup>21</sup> N. Hood and S. Young, *Multinationals in Retreat: The Scottish Experience* (Edinburgh, 1982).



workers.<sup>22</sup> The 1944 White Paper, *Employment Policy*, offered security, but only where workers moved between jobs and sectors. The rationale for trading 'old' industry for 'new', involving faster economic growth and rising living standards, heightened workers' expectations.<sup>23</sup> The popular workers' moral economy that developed in Scotland from the 1950s onwards resembled that of E. P. Thompson's eighteenth century English crowd, whose plebeian customs were confounded in a period of rapid change.<sup>24</sup> The workers' moral economy in post-1945 Scotland had two essential elements: industrial restructuring required the maintenance of individual and communal security; and was only legitimate where agreed by the representatives of the communities and workers involved.<sup>25</sup> These two moral economies developed interactively, within the broader trend to greater state regulation of market forces that took place across capitalist societies in the mid-twentieth century. Understanding this general shift to greater social regulation of economic life was central to Karl Polanyi's *The Great Transformation*, published in 1944. Polanyi argued that industrialization in the eighteenth and nineteenth centuries had been dehumanizing. Governments encouraged market mechanisms and competitive forces to over-ride social imperatives and cooperation. This produced a delayed reaction in the twentieth century, with economic actors protecting themselves against market insecurity through various forms of collective action, including government regulation and trade union organization.<sup>26</sup>

One additional element of the workers' moral economy in Scotland can be highlighted. It had a distinct national character. A popular critique of UK policy-making emerged in the 1960s precisely because restructuring compromised security in industrial communities. The STUC supported the aim of industrial diversification, its officials especially keen on encouraging 'science-based' manufacturing, to improve wages and narrow the growth 'gap' between Scotland and England. But the STUC saw the Conservative government's strategy as both over-reliant on and unacceptably generous to private capital. Manufacturers received public money without making concrete guarantees to meet the social

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<sup>22</sup> David Marquand, *Mammon's Kingdom. An Essay on Britain, Now* (London, 2014).

<sup>23</sup> Jim Tomlinson, 'Re-inventing the Moral economy in post-war Britain', *Historical Research*, 84 (2011), 356-373.

<sup>24</sup> E. P. Thompson, 'The Moral Economy of the English Crowd in the Eighteenth Century', *Past and Present*, 50 (1971), 76-136, reprinted in *Customs in Common* (London, 1991), 185-258.

<sup>25</sup> Phillips, 'Moral Economy and Deindustrialization'.

<sup>26</sup> K. Polanyi, *The Great Transformation: the political and economic origins of our time* (Boston, 1944).

needs of Scotland's citizenry for employment.<sup>27</sup> Wilson's Labour government responded to this trade union pressure with increased regional assistance to protect industrial employment between 1964 and 1970.<sup>28</sup> This was an important element, Kendrick and McCrone argue, in developing a sense of economic separateness in Scotland. The popularity of Conservatism, which emphasized the integrity of the Union, was eroded as a result.<sup>29</sup> Stronger regional policy also underlined Labour's apparently greater commitment to the defence of working class economic security. This was further evidenced by high-level dialogue between union officials and the government. Wilson and Willie Ross, Secretary of State for Scotland, were regularly involved,<sup>30</sup> and made policy adjustments which slowed pit closures and intensified job creation in the coalfields.<sup>31</sup>

It was in this environment that National Union of Mineworkers Scottish Area (NUMSA) officials first pushed Home Rule onto the policy agenda of the STUC in 1968.<sup>32</sup> The campaign for devolution was then sharpened as mounting unemployment and industrial closures followed the election of Edward Heath's Conservative government in 1970.<sup>33</sup> A particularly acute crisis for Conservatism and Unionism in Scotland resulted in 1971 from the government's refusal to extend credit to Upper Clyde Shipbuilders (UCS). Heath and his ministers had made various references to the folly of supporting so-called 'lame ducks' in industry. Yet UCS had a busy order book and the yards were widely seen in Scotland as viable if

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<sup>27</sup> Glasgow Caledonian University Archives (GCUA), STUC General Council, Resolution for STUC Conference on Scotland's Economy, 18 February 1962.

<sup>28</sup> Peter Scott, 'Regional development and policy', in Roderick Floud and Paul Johnson, eds, *The Cambridge Economic History of Modern Britain. Volume III, Structural Change and Growth, 1939-2000* (Cambridge, 2004), 332-67.

<sup>29</sup> Kendrick and McCrone, 'Politics in a Cold Climate', 597.

<sup>30</sup> STUC, 70<sup>th</sup> *Annual Report*, 1967 (Glasgow, 1967), 416-30.

<sup>31</sup> Jim Phillips, 'The Closure of Michael Colliery in 1967 and the Politics of Deindustrialization in Scotland', *Twentieth Century British History*, 26.4 (2015), 551-72.

<sup>32</sup> STUC, 71<sup>st</sup> *Annual Report*, 1968 (Glasgow, 1968), 398-409.

<sup>33</sup> Jim Tomlinson, *Managing the Economy, Managing the People: narratives of economic Life in Britain from Beveridge to Brexit* (Oxford, 2017), 145-8.

a liquidity problem, thought to be temporary, could be overcome. The 8,000 workers refused to accept the inevitability of redundancy. Their famous work-in forced a government retreat and the retention of 6,000 shipyard jobs. It also focused attention on 'faceless' decision-makers in Whitehall and Westminster, remote physically and socially from the communities affected by deindustrialization.<sup>34</sup> In February 1972 the STUC convened a Scottish Assembly on Unemployment in Edinburgh's Usher Hall, attended by prominent members of all political parties along with trade union officials and local authority representatives. James Jack, STUC General Secretary, said that the employment problem in Scotland arising from UK government policy demonstrated the necessity of a Home Rule Parliament in Edinburgh.<sup>35</sup>

The Labour government elected in 1974 advanced the Home Rule agenda and reinforced regional assistance to industry. This was increasingly focused on established operations, 'persuading' firms to stay, especially in areas of rising unemployment. The defence of jobs in factories, mills, mines and shipyards was politically expedient with Labour facing an insurgent rival in the SNP, but the government also saw industrial activity as central to the realization of a range of policy goals, notably faster economic growth, the minimization of unemployment, and stabilization of the Balance of Payments.<sup>36</sup> The personal backgrounds of Labour ministers were important too in guiding the protection of working class economic security through provision of industrial employment. This is often overlooked in political history literature which tends to differentiate prominent Labour figures by their positioning within 'left-right' or 'militant-moderate' spectra.<sup>37</sup> Bruce Millan, Minister of State at the Scottish Office

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<sup>34</sup> John Foster and Charles Woolfson, 'How Workers on the Clyde Gained the Capacity for Class Struggle: the Upper Clyde Shipbuilders' Work-In, 1971-2', in John McIlroy, Nina Fishman and Alan Campbell, eds, *British Trade Unions and Industrial Politics. Volume Two: The High Tide of Trade Unionism, 1964-79* (Aldershot, 1999), 297-325.

<sup>35</sup> GCUA, STUC General Council, Scottish Assembly on Unemployment, 14 February 1972, List of Speakers, and Charter of Proposals.

<sup>36</sup> M. Artis, D. Cobham and M. Wickham-Jones, 'Social democracy in hard times: the economic record of the Labour government 1974-79', *Twentieth Century British History*, 3 (1992), 39-53.

<sup>37</sup> See various contributions to John Callaghan, Steven Fielding and Steve Ludlum, *Interpreting the Labour Party. Approaches to Labour politics and history* (Manchester, 2003), and Dianne Hayter, *Fightback! Labour's traditional right in the 1970s and 1980s* (Manchester, 2005).

from 1974 to 1976 and then Secretary of State for Scotland until 1979, commonly features in historical literature only because he became a European Commissioner in 1988, triggering a by-election in Glasgow Govan won by Jim Sillars of the SNP.<sup>38</sup> But Millan played a vital role in Labour's protection of economic security in Scotland, helping to establish the Scottish Development Agency (SDA) in 1975 with a responsibility for cultivating industry.<sup>39</sup> His protection of manual employment in Scotland was surely informed by early life in the precarious milieu of pre-Second World War Dundee, where mother worked in a jute mill and father in a shipyard. Millan promoted the government's SDA agenda with Eric Varley, Secretary of State for Industry, who was born in the Derbyshire coalfields at the bottom of the inter-war depression and followed his father into mining.<sup>40</sup>

Labour's economic and industrial management became more popular in Scotland than in England after 1974. The government's *Plan For Coal* stabilized employment among miners, with extensive investment across the Lothians and Fife,<sup>41</sup> and the nationalization of shipbuilding in 1977 likewise preserved a significant number of jobs on the Clyde.<sup>42</sup> Interpretations of Thatcher's electoral victory in 1979 emphasize how Labour forfeited working class support through its anti-inflationary wage controls. These contributed to escalating industrial action during the 1978-79 'winter of discontent',<sup>43</sup> and damaged Labour's prospects further by elevating the political profile of inflation and trade union 'power'.<sup>44</sup> One popular history argues that Labour's alleged economic mismanagement and industrial relations difficulties led Scottish voters to reject Home Rule in the 1979 referendum.<sup>45</sup> Such a conclusion

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<sup>38</sup> Ewen A. Cameron, *Impaled Upon a Thistle: Scotland Since 1880* (Edinburgh, 2010), 342.

<sup>39</sup> Peter Payne, 'Scottish Development Agency', in Michael Lynch, ed., *The Oxford Companion to Scottish History* (Oxford, 2001), 575-76.

<sup>40</sup> Brian Wilson, 'Bruce Millan, 1927-2013, Obituary', *The Guardian*, 25 February 2013; Geoffrey Goodman, 'Eric Varley, 1932-2008, Obituary', *The Guardian*, 29 July 2008.

<sup>41</sup> James R. Cowan, 'National Coal Board: Scottish Area in the 1980s', *Mining Technology*, 62 (January 1980), 20-1.

<sup>42</sup> Lewis Johnman and High Murphy, *Shipbuilding in Britain: a political economy of decline* (Exeter, 2002), 208-10.

<sup>43</sup> Tara Martin-López, *The Winter of Discontent: Myth, Memory and History* (Liverpool, 2015); John Shepherd, *Crisis? What Crisis? The Callaghan Government and the British 'Winter of Discontent'* (Manchester, 2013).

<sup>44</sup> Tomlinson, *Managing the Economy*, 187-205.

<sup>45</sup> Devine, *Scottish Nation*, 591.

is unwarranted. The government's devolution proposals were compromised, infamously, by an amendment to the 1978 Scotland Bill, made by George Cunningham, the Labour MP for Islington South and Finsbury. This stated that the government's proposals for a Parliament in Edinburgh would be annulled unless supported in a referendum by 40 per cent of the entire electorate, as distinct from 40 per cent of those who voted. In March 1979 32.5 per cent of the electorate voted 'Yes' for the Parliament, 30.4 per cent 'No', and 37.1 per cent did not vote at all.<sup>46</sup> The integrity of the result has been strongly questioned. The ageing electoral roll included some 500,000 persons who could not vote, owing to infirmity or illness, and ought to have been discounted, in which case the 40 per cent target would have been reduced to 1,284,754. This was only 31,252 votes more than achieved by the Yes campaigners.<sup>47</sup>

From this perspective the referendum result cannot be seen as a negative verdict on the Labour government in Scotland in 1979. Trade unions were calling for Home Rule and providing critical support for the government. These two positions were consistent with each other. At the 1977 STUC annual conference a Parliament in Edinburgh was characterized as a mechanism for strengthening working class economic security, which the government's policy agenda was also acknowledged to be defending.<sup>48</sup> Above average support for devolution in the referendum was recorded in the three counting areas with the largest concentrations of industrial employment: Central, Fife and Strathclyde. The government's popularity with these Scottish electors was growing after 1974 rather than receding, in contrast to the position in England. In 1978 Labour won by-elections in industrial constituencies in Scotland with large working class electorates, Glasgow Carscadden in April and then Hamilton in May, followed by a third success, in Berwick and East Lothian, in October.<sup>49</sup> This prefigured the outcome of the 1979 general election, when Labour consolidated its position in the central Scottish constituencies where the SNP had

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<sup>46</sup> Henry Drucker and Gordon Brown, *The Politics of Nationalism and Devolution* (London, 1980), 120-1.

<sup>47</sup> Vernon Bogdanor, *Devolution in the United Kingdom* (Oxford, 1999), 188-91.

<sup>48</sup> STUC, *80<sup>th</sup> Annual Report*, The Pavilion, Rothesay, 18-22 April 1977 (Glasgow, 1977), 794-95.

<sup>49</sup> Calum Aikman, 'The Scottish by-elections of 1978', Democracy and Devolution in the 1970s Conference, Academy of Government, University of Edinburgh, 26 April 2018.

been challenging. Labour's share of the vote in Scotland increased from 36.3 per cent in October 1974 to 41.5 per cent, whereas its share in England fell from 40.1 per cent to 36.7 per cent.<sup>50</sup>

### **Linwood and the cultivation of moral economy feeling**

Linwood offers a stark illustration of the linkages between deindustrialization and devolution. The historical narrative of the car plant is not straightforward, with countervailing tendencies: income for employees and security for surrounding communities, but also frequent episodes of large-scale redundancy and an arduous labour process. There was tension between popular moral economy expectations of linear progress and the disruptive realities of car manufacturing employment. Rootes, the original operator from 1963, was based in the West Midlands hub of English car manufacturing, in Coventry. Seeking to expand in the late 1950s, the firm was guided by Harold Macmillan's Conservative government to Linwood, where high volumes of a new car, the Hillman Imp, were assembled. The switch was facilitated by a £23 million factory, largely funded by central government. A loan of £7.85 million from the Labour government in 1966 then enabled the manufacture on-site of car bodies, engine blocks and a larger number of components. Chrysler obtained a minority share in Rootes in 1964 and then a controlling interest in 1967. The Labour government supported this latter acquisition because Chrysler promised to expand production and employment.<sup>51</sup>

Public investment was central to the cultivation of moral economy feeling at Linwood. This included large-scale construction of local authority housing to accommodate the new workforce.<sup>52</sup> The village of Linwood became the medium-sized town of 'Rootsville',<sup>53</sup> quadrupling from 2,500 in 1961 to 10,500 in 1971, and then doubling to 23,000 in 1981. Local authority housing tenure in and around Linwood was high, even by Scottish standards, reinforcing the trend identified by Kendrick and McCrone

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<sup>50</sup> Kendrick and McCrone, 'Politics in a Cold Climate', 590.

<sup>51</sup> National Records of Scotland (NRS), SEP 4/3999, Brief for Secretary of State for Scotland's Visit to Linwood, September 1977; TNA, FV 44/17, I. J. Minett, Chrysler Group Vice President to Anthony Wedgwood Benn, Minister of Technology, 16 January 1967.

<sup>52</sup> NRS, SEP 4/3991, Note on aid and assistance to Rootes, no date, but probably August 1962.

<sup>53</sup> Alex Neill and Margaret Neill, Interview with Valerie Wright (VW), Glasgow, 18 September 2017.

as a factor in the movement away from Conservatism and Unionism in the 1960s.<sup>54</sup> In the Renfrew local authority area 47.8 per cent of households rented in the public sector in 1961, rising to 56.2 per cent in 1971 and 63.1 per cent in 1981. Public housing initiatives contributed to the growth of new communities around Linwood. These were built politically on the promise of future economic security, with a relatively high proportion of nuclear families, including many drawn from Glasgow.<sup>55</sup> 'They all had two point five kids', remembers Joe Reilly, a Glasgow migrant and long-term Linwood worker.<sup>56</sup> In December 1975 only 12 per cent of the workforce was 50 or older, compared with over 25 per cent for the economically-active male population of Strathclyde Region as a whole. Seven in ten workers lived in Linwood or neighbouring Paisley and Johnstone, and two in ten travelled daily from Glasgow. In Linwood half the employed population worked for Chrysler.<sup>57</sup>

Central and local government planners were advised by Rootes in 1961 that 11,000 workers would be employed in car manufacturing at Linwood by the early 1970s, with a further 5,000 producing vehicle bodies at the established and adjacent Pressed Steel site.<sup>58</sup> Total employment never reached this level, peaking intermittently at around 9,000 in 1965, 1970, 1974 and 1977. There were intervening waves of damaging redundancy: 1,000 in October 1966,<sup>59</sup> another 1,000 by increments in 1971,<sup>60</sup> and more than 2,000 late in 1974. With a three-day week operating in the first quarter of 1975 the STUC

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<sup>54</sup> Kendrick and McCrone, 'Politics in a Cold Climate', 600.

<sup>55</sup> Sean Damer, 'Life After Linwood? The Loss of the Cash Nexus, or, Deindustrialisation in the Periphery', British Sociological Association Conference, University College Cardiff, April 5<sup>th</sup> – 8<sup>th</sup> 1983.

<sup>56</sup> Joe Reilly, Interview with VW, Johnstone, 7 December 2017.

<sup>57</sup> NRS, SEP 4/3996, N. J. Shanks, Scottish Office, Chrysler. Secretary of State for Scotland's meeting with representatives of Strathclyde Regional Council and Renfrew District Council, 3 December 1975; Mitchell Library (ML), Linwood, TD 758/1/1, Strathclyde Regional Council, Draft Report, Chrysler: Linwood, November 1975.

<sup>58</sup> NRS, SEP 4/3991, Scottish Home Department, note of a meeting held in the offices of Pressed Steel, Linwood, 9 November 1961.

<sup>59</sup> NRS, SEP 4/2402, Redundancy at Rootes' Factories at Linwood, Note of a Meeting at the Ministry of Technology, 11 October 1966.

<sup>60</sup> NRS, SEP 4/2403, Ministerial correspondence, Linwood, March 1972.

argued for nationalization, to stabilize production and employment. Normal working resumed in June, but a further short-time spell was announced in September, with five days of redundancy in fifteen and a seven-day lay-off in October.<sup>61</sup> Moira MacMillan, a data manager, remembers large numbers of women being deployed in manufacturing trim for car interiors, and on the assembly lines too by 1975.<sup>62</sup> So redundancy was a shared frustration for female and male workers. Short-time compelled many to leave the plant. A family 'cannae live on three days' wages', recalls Barry Brown, who traded Linwood for public sector employment as a painter-decorator in 1975.<sup>63</sup> Between mass redundancies Chrysler deployed another response to falling demand, according to former employees, wilfully provoking strike action by breaching agreements. Sixty cars an hour were produced at Linwood in the 1970s: a week's loss of production enabled Chrysler to move accumulated stock while making significant labour cost-savings.<sup>64</sup>

Motor manufacturing in the UK generally operated in response to cyclical markets, and on this basis was not well placed to provide employment stability. In periods of slack employers habitually made workers redundant.<sup>65</sup> Workers' moral economy expectations of improvement were frustrated by this insecurity, and the industry's strenuous labour process. Ex-skilled engineers, shipyard workers and miners struggled to adjust to the monotony at Linwood, where 60 per cent of the employees in 1975 were in semi-skilled assembly or machine shop work.<sup>66</sup> The existence of a 'culture clash' between the heritage of craft production and the new reality of automated assembly figures in the historical literature.<sup>67</sup> It likewise features in the testimonies of former workers.<sup>68</sup> Joe Reilly's narrative is organized

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<sup>61</sup> STUC, 79<sup>th</sup> *Annual Report, 1976* (Glasgow, 1976), 83-4.

<sup>62</sup> Moira McMillan, Interview with VW, Linwood, 13 December 2017; Reilly, Interview.

<sup>63</sup> Barry Brown, Interview with VW, 22 November 2017.

<sup>64</sup> Alex and Margaret Neill, Interview; Brown, Interview; Reilly, Interview.

<sup>65</sup> Dave Lyddon, 'The Car Industry, 1945-1979: Shop Stewards and Workplace Unionism', in Chris Wrigley, ed., *A History of British Industrial Relations, 1939-1979: Industrial Relations in a Declining Economy* (Cheltenham, Edward Elgar, 1996), 186-211.

<sup>66</sup> ML, Linwood, TD 758/1/1, Strathclyde Regional Council, Chrysler: Linwood.

<sup>67</sup> Harvie, *No Gods and Precious Few Heroes*, 151, W. W. Knox, *Industrial Nation: Work, Culture and Society in Scotland, 1800-Present* (Edinburgh, 1999), 272-79.



around his struggle to exert personal agency as an assembly line welder and shop steward seeking improved working conditions. Strikes are remembered as the inevitable consequence of the culture clash: 'people wouldn't take rubbish'.<sup>69</sup> Disputes arose where workers attempted to replicate the effort-rationing of craft labour, to limit production and improve earnings.<sup>70</sup> Management saw restricted output as 'fundamental breach and wrongful repudiation' of the employment contract. Unofficial strikers were often dismissed, exacerbating tensions within the plant, including those between union members and their representatives who were struggling to maintain harmonious relations with the employer.<sup>71</sup> Union stewards tended to be men with periods of long service. John Carty of the Amalgamated Union of Engineering Workers (AUEW), convenor of the plant's stewards, worked at Linwood continuously from around 1962. By 1977 Tommy Boyle of the AUEW and Jimmy Livingstone of the Transport and General Workers' Union (TGWU) had both been at Linwood for fourteen years, almost as long as Carty.<sup>72</sup> But more generally Linwood conformed to the broader UK trend, with turnover higher in development area car factories than established plants in the Midlands.<sup>73</sup> At Linwood attrition was highest in the 'Crazy K' assembly block,<sup>74</sup> where TGWU members exhibited greater militancy than AUEW members in the engineering shops.<sup>75</sup>

Grievances arising from the labour process were compounded by pay disputes. Wages compared favourably with those in other Clydeside manual employment sectors. An ex-Lanarkshire coal miner remembers discussing earnings with fellow football supporters in the late 1960s. Linwood

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<sup>68</sup> Ian Stobo, Interview with VW, Paisley, 22 November 2017.

<sup>69</sup> Alex Neill, Interview; Reilly, Interview.

<sup>70</sup> Alison Gilmour, 'The Trouble with Linwood: Compliance and Coercion in the Car Plant, 1963-1981', *Journal of Scottish Historical Studies*, 27 (2007), 75-93.

<sup>71</sup> 'Unions may support workers' dismissal', *The Guardian*, 30 May 1964, 1.

<sup>72</sup> NRS, SEP 4/3999, Brief for Secretary of State for Scotland's Visit to Linwood, September 1977.

<sup>73</sup> J. F. B. Goodman and P. J. Samuel, 'The Motor Industry in a Development District', *British Journal of Industrial Relations*, 4 (1966), 336-65.

<sup>74</sup> Alex Neill, Interview; Reilly, Interview.

<sup>75</sup> The National Archives, Kew (TNA), FV 22/96, A. G. Manzie, 'Chrysler, Linwood', 1 April 1977.

assembly workers were getting £35 a week, 50 per cent more than the miner's £22-10s.<sup>76</sup> Skilled men were earning 4d an hour more than their equivalents in shipbuilding in 1968, a weekly premium of almost £1.<sup>77</sup> When Barry Brown joined the assembly floor in 1970 he exceeded his painter-decorator's weekly wage by £14.<sup>78</sup> But Rootes and then Chrysler were still paying Linwood workers *below* the industry average, seeking harmonious relations with other engineering employers on Clydeside,<sup>79</sup> and compensation for the additional supply costs of operating in the 'periphery'. In 1972 Gilbert Hunt, Managing Director of Chrysler UK, in confidential evidence to the Trade and Industry Sub-Committee of the House of Commons Expenditure Committee, said that the extra burden of manufacturing at Linwood from 1963 to 1970 was equivalent to double the sum received in regional assistance.<sup>80</sup>

Pay disparity highlighted a central fissure between the moral economies of UK policy-makers and Scottish workers. The policy-makers' approach accepted that regionally-assisted employers *could* access labour at sub-national average rates, to absorb unemployed workers in development districts without overly distorting local labour markets or elevating production costs for inward-investing firms.<sup>81</sup> For workers, on the other hand, pay disparity was a source of tension in development areas in England and Wales as well as Scotland in the 1960s.<sup>82</sup> Indeed, a key finding of Beynon's pioneering study of car assembly workers, first published in 1973, was that large corporate employers in the industry habitually

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<sup>76</sup> Ewan Gibbs, *Deindustrialisation and Industrial Communities: The Lanarkshire Coalfields c.1947-1983*, University of Glasgow PhD, 2016, 92, 106.

<sup>77</sup> TNA, LAB 10/2834, B. Roscoe, Rootes Motors Scotland Ltd., Linwood, 6 May 1968.

<sup>78</sup> Brown, Interview.

<sup>79</sup> TNA, LAB 28/16/7, C. H. B. Cattell, Director/General Manager Rootes, Evidence to Royal Commission on Trade Unions and Employers' Associations, 7 June 1966.

<sup>80</sup> NRS, SEP 4/2403, Confidential Proof, Minutes of Evidence Taken before the Trade and Industry Sub-Committee of the House of Commons Expenditure Committee: Evidence from Gilbert Hunt, Managing Director, Chrysler (UK) Ltd., 25 October 1972.

<sup>81</sup> Scott, 'Regional development and policy', 343-57.

<sup>82</sup> J. Murden, 'Demands for Fair Wages and Pay Parity in the British Motor Industry in the 1960s and 1970s', *Historical Studies in Industrial Relations*, 20 (2005), 1-27.

cultivated competition between their employees at different factories.<sup>83</sup> But as with redundancies, the earnings grievance at Linwood was expressed by workers in terms of Scottish particularity. This contributed to a quasi-colonial narrative of resistance among workers, who resented their status as 'kilted coolies'.<sup>84</sup> Ex-worker testimonies emphasize mutual resentments between Linwood and the Midlands, and the privileging of production in England over Scotland.<sup>85</sup> Meeting Chrysler management at Linwood in May 1970 Jack of the STUC said that trade unionists would not accept the argument that industry could only operate profitably in Scotland through 'a substantial differential in terms of earnings'. The STUC officials were supporting a workforce claim for parity.<sup>86</sup> After a lengthy strike this was broadly attained in 1972.<sup>87</sup> Linwood management advised the Economic Planning Department of the Scottish Office (SEPD) in 1975 that this removed the chief single source of workforce discontent at the plant. Strikes had become less frequent, and were triggered by national rather than local disputes.<sup>88</sup>

Moral economy feeling among workers at Linwood, and the urgency of the Scottish national question, was nevertheless heightened by a serious crisis in the early winter of 1975-76. The Labour government had been in dialogue with Chrysler for several months, starting with a private dinner in London between Wilson and the firm's US President, Lynn Townsend, and Chairman, John Riccardo.<sup>89</sup> The government's Central Policy Review Staff were preparing a report which pointed to substantial over-capacity in UK car manufacturing. The loss of Chrysler, with UK market share falling from seven to five per cent in the course of 1975, was tolerable and even desirable. Government support could then be concentrated on other enterprises, especially the quasi-nationalized British Leyland.<sup>90</sup> Literature on the

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<sup>83</sup> Huw Beynon, *Working for Ford: Men, Masculinity, Mass Production and Militancy* (London, 1973).

<sup>84</sup> David Wilson, 'Parity for the kilted coolies', *The Guardian*, 6 February 1972, 15.

<sup>85</sup> Stobo, Interview.

<sup>86</sup> GCUA, STUC, Report of Meeting with the Management at Linwood, 14 May 1970, and Meeting with Trade Union officials and shop stewards from Linwood, NUVB offices, Paisley, 10 August 1970.

<sup>87</sup> Geoffrey Whitely, '6,500 car men get a £5 rise', *The Guardian*, 5 February 1972, 22.

<sup>88</sup> NRS, SEP 4/3993, W. B. Kilpatrick, SEPD, Note of visit to Linwood, 2 September 1975.

<sup>89</sup> TNA, PREM 16/500, Note for the Record, Prime Minister's dinner with representatives of Chrysler Corporation, Stafford Hotel, St. James's Place, London, 21 January 1975.

<sup>90</sup> TNA, PREM 16/500, John Hunt, memoranda for the Prime Minister, 31 October and 5 November 1975.

industry broadly underscores this report's conclusion that rationalization was required for greater overall profitability, although higher capital investment than was ultimately achieved in 'under-performing' plants such as Linwood would have improved their production position.<sup>91</sup> Chrysler responded to these competitive pressures by threatening to leave the UK unless it received substantial government assistance, to absorb losses and finance the transfer of an established model, the Avenger, from Ryton to Linwood, where a new make of car would also be established. A total of 21,000 jobs in Chrysler establishments in Scotland and the Midlands were at stake.<sup>92</sup>

Varley, Secretary of State for Industry, and Jack Jones, TGWU General Secretary, both opposed support for Chrysler, which they viewed as a corporate blackmailer.<sup>93</sup> Willie Ross countered in Cabinet, arguing the difficult employment situation in Scotland made the investment politically-unavoidable. Some 5,700 jobs would be lost at Linwood, jeopardizing steel and coal industry employment at Ravenscraig in Lanarkshire and Polkemmet Colliery in West Lothian. Ross criticized Jones and other UK union officials who opposed intervention because it would extinguish the jobs of Avenger assemblers in the West Midlands while creating new opportunities in Scotland. A shift of employment from Scotland to England was far more common, he noted, and usually took place without complaint from English workers and trade unionists while generating 'considerable bitterness in Scotland'. He also pointed out that the SNP had won eleven seats in the October 1974 general election and come second to Labour in thirty others, including eleven of the fifteen adjacent to Linwood. Nationalists would cast the plant's closure as a prime 'symbol of UK mismanagement of the Scottish economy'.<sup>94</sup>

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<sup>91</sup> James Foreman-Peck, Sue Bowden and Alan McKinlay, *The British Motor Industry* (Manchester, 1995); Stephen Wilks, *Industrial Policy and the Motor Industry* (Manchester, 1984); Stephen Young and Neil Hood, *Chrysler UK: A Corporation in Transition* (New York, 1977).

<sup>92</sup> NRS, SEP 4/3993, P. Bailey, Department of Industry to T. M. Band, Scottish Office, 30 July 1975; SEP 4/3995, Chrysler UK Ltd, note by John Riccardo, submitted to Secretary of State for Industry, 26 November 1975.

<sup>93</sup> NRS, SEP 4/3995, Note of a Meeting on 1 December 1975 – Chrysler.

<sup>94</sup> SEP 4/3994, W. B. Fitzpatrick, File Note, Linwood, 10 November 1975, and P. S. Hodge, SEPD/IDS, 'The Effect of the Chrysler Withdrawal from Linwood on West Central Scotland', 7 November 1975; NRS, SEP 4/3996, R. Williams,

Wilson, who retired several months later to be succeeded as Labour leader and Prime Minister by James Callaghan, was persuaded by these political considerations. He nevertheless detailed Harold Lever, Chancellor of the Duchy of Lancaster, to construct a formal case focusing solely on the economic benefits, including high-value exports to Iran.<sup>95</sup> A projected £162 million in grants and loans to Chrysler over four years was agreed. This was approved in the House of Commons by a majority of 21, and only with support from the eleven SNP members because ten Labour members abstained.<sup>96</sup> Although transferring the Avenger to Linwood, the deal still involved significant redundancy, with 2,000 leaving voluntarily in January 1976.<sup>97</sup> Linwood stewards argued for nationalization as an alternative to both closure and financial support for Chrysler, as did the STUC General Council.<sup>98</sup> There was disquiet also in the community around the plant. 'The Chrysler "rescue" doesn't look quite such a piece of benevolent charity when viewed from the Ponderosa Bar in the middle of Linwood', wrote Pearson Phillips in *The Guardian*. 'To a production work force which is to be cut in half, it seems a funny way to be rescued', he added, anticipating future difficulties for the government and the Labour MP for Renfrew West, Norman Buchan.<sup>99</sup> Yet Buchan was re-elected in the context of Labour's Scottish recovery in 1979 with a substantially increased share of the vote, up to 44.5 per cent from 38.5 per cent in October 1974. The SNP's vote was halved from 28.6 per cent to 13.1 per cent. The effects of the rescue – the Labour government defending manual employment in difficult economic and political circumstances – were clear, although Buchan enjoyed a strong local following based on a reputation for personal integrity and dedicated public service.<sup>100</sup>

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Note of a Meeting, 11 December 1975; TNA, CAB 129, Secretary of State for Scotland, Memo, Chrysler, 3 December 1975.

<sup>95</sup> TNA, PREM 16/502, Sir Keith Berrill to the Prime Minister, 14 December 1975; Edmund Dell, 'Lever, (Norman) Harold, Baron Lever of Manchester (1914-1995)', *Oxford Dictionary of National Biography* (Oxford, 2004-2016, online).

<sup>96</sup> Adam Raphael, 'Chrysler aid approved by 21 majority', *The Guardian*, 18 December 1975, 1.

<sup>97</sup> NRS, SEP 4/3996, Kirkpatrick, SEPD, The Chrysler Affair – A Chronology, 1 October 1975 to 14 January 1976.

<sup>98</sup> STUC, 79<sup>th</sup> *Annual Report*, 85.

<sup>99</sup> Pearson Phillips, 'How it feels to the man in Linwood', *The Guardian*, 21 December 1975, 2.

<sup>100</sup> Donald Dewar, 'Obituary: Norman Buchan, A Left Scot, No Softie', *The Guardian*, 24 October 1990.

### Linwood and the frustration of moral economy expectations

The preservation of Linwood in 1975 intensified moral economy feeling and popular scrutiny of UK policy-making in Scotland. Two elements of the rescue were especially important. First, there was Chrysler's commitment to a new model at Linwood, later named the Tango. This was spelt out in the firm's Planning Agreement with the government of March 1977. Some £11.7 million of Chrysler UK's proposed £75 million expenditure over the next three years was allocated to producing the Tango at Linwood from 1979.<sup>101</sup> The Avenger rolled off the production line from August 1976. A remodelled Sunbeam, successor to the Imp, followed in September 1977, but government ministers and officials shared the view of many Linwood workers that the Tango would be essential to the plant's longer-term future.<sup>102</sup> Second, Chrysler conceded a form of company-wide consultation with union representatives. The 1977 Planning Agreement, required in return for the government investment, also aligned with Labour's industrial democracy agenda, with the Bullock committee examining worker directors in large manufacturing firms. Deindustrialization was central to union support for this agenda. Worker directors could arrest disinvestment and the elimination of unionized jobs in manufacturing.<sup>103</sup> Multinationals, the Confederation of British Industry and the Conservative opposition combined to repel the Bullock majority report recommendation of union-channel worker directors,<sup>104</sup> but there was business support for bottom-up employee participation. This could involve greater consultation short of joint partnership, in workplaces rather than boardrooms, and involving smaller scope issues, such as speed of production rather than capital investment.<sup>105</sup> The terms of Chrysler's Employee Participation Programme (EPP) were established in March 1976. Chrysler executives told union representatives and government officials that

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<sup>101</sup> TNA, T 390/237, Chrysler UK Limited, Planning Agreement, February 1977, Tables 5 and 6.

<sup>102</sup> NRS, SEP 4/3999, SEPD, Brief for Secretary of State for Scotland visit to Linwood, September 1977; and SEP 4/4001, Manzie note, Chrysler (UK), 9 February 1978.

<sup>103</sup> Department of Trade, *Committee of Inquiry on Industrial Democracy* (Bullock), *Report*, Cmnd. 6706 (London, 1977), 20-22.

<sup>104</sup> Jim Phillips, 'UK Business Power and Opposition to the Bullock Committee's 1977 Proposals for Worker Directors', *Historical Studies in Industrial Relations*, 31/32 (2011), 1-30.

<sup>105</sup> P. Blyton and P. Turnbull, *The Dynamics of Employee Relations* (Basingstoke, 2004), 254-57.

partnership would enable better decisions to be made and reduce industrial conflict.<sup>106</sup> A short film was produced, *Building the New Chrysler*. Carty appeared, saying that union and workforce ambition to improve production had accelerated the introduction of the Avenger.<sup>107</sup>

The promise of partnership and growth was unfulfilled, however. In November 1976 George Lacy, Chrysler UK's Managing Director and Chief Executive Officer, claimed that a lack of cooperation from workers had resulted in an 'embarrassing' loss of sales. A 'return' to 'efficient "steady-state" management' was required, meaning 'well-proven' company oversight of 'budget, output and quality'.<sup>108</sup> This renewed emphasis on managerial prerogative frustrated moral economy expectations at Linwood and prefigured an industrial relations crisis in the autumn of 1977. Millan, who succeeded Ross as Secretary of State for Scotland in 1976, was advised by officials that production difficulties at Linwood stemmed from Chrysler's emerging reluctance to build the Tango there. This lowered morale among workers and compromised their effort.<sup>109</sup> Visiting Linwood in September 1977, Millan found that Carty and other workforce representatives were 'full and frank' and 'constructive', but he was greatly 'disturbed' when one of the managers told him that the Tango could be made at Ryton instead.<sup>110</sup> A company-wide meeting of the Planning Agreement Working Party followed in Coventry, where Carty claimed the Tango was a 'dead duck', and management representatives conceded that design difficulties were delaying its introduction. Carty asserted in moral economy terms that the firm had a plain obligation to establish the Tango at Linwood as replacement for the Avenger in 1979.<sup>111</sup>

Within two weeks of this fractious Working Party meeting there was a lengthy stoppage at Linwood. Chrysler later claimed – disingenuously – that this was the trigger for relocating the Tango to

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<sup>106</sup> NRS, SEP 4/1847, Chrysler UK note of presentation to Employee Participation and Communications meeting, Coventry Transport House, 31 March and 1 April 1976.

<sup>107</sup> *Building the New Chrysler*, written and directed by John M. Mills (Formula One Films, 1976).

<sup>108</sup> ML, Linwood, TD 758/6/26, George Lacy speech to Management and Unions at Linwood, 5 November 1976.

<sup>109</sup> NRS, SEP 4/3999, Brief for SSS Visit to Linwood, Appendix B, 'Salient Points', September 1977.

<sup>110</sup> NRS, SEP 4/3999, J. E. Cammell, Department of Industry, to George Lacy, Chrysler UK Managing Director and Chief Executive Officer, 12 September 1977.

<sup>111</sup> TNA, FV 22/172, Minutes of the Planning Agreement Working Party Meeting, Whitley, 6 October 1977.

Coventry.<sup>112</sup> Management tried to change the supervision of workers in the K block, to identify faults earlier on the line,<sup>113</sup> but ignored existing consultation procedures.<sup>114</sup> The plant was entirely shut down within 24 hours as all other workers stopped in solidarity with inspectors who were sent home for refusing the new arrangements.<sup>115</sup> Management then broadened the argument, insisting that agreement be reached on a lengthy list of issues before allowing a return to work.<sup>116</sup> James Milne, Jack's successor as STUC General Secretary, was advised by stewards that the company was prepared to close Linwood permanently rather than cede defeat. The shutdown lasted three weeks while Cabinet ministers and national trade union officers negotiated with Chrysler executives and the stewards.<sup>117</sup> Shortly after a resumption of work, secured by Milne on pre-dispute conditions on 7 November,<sup>118</sup> Chrysler announced that the Tango would be produced at Ryton. This vital strategic decision was taken without the management-union Planning Agreement Working Party,<sup>119</sup> compounding the company's violation of the 1975 rescue plan according to Millan.<sup>120</sup>

In June 1978 Varley visited Linwood. The mood among managers and stewards was optimistic, with a new model – the Horizon – now promised for 1984.<sup>121</sup> The struggle for control was nevertheless relentless. Within two weeks there was another sizeable stoppage, following management's decision to

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<sup>112</sup> NRS, SEP 4/4000, A. G. Manzie, SEPD/IDS, note, Chrysler, 19 January 1978.

<sup>113</sup> TNA, FV 22/96, J. E. Cammell, Chrysler Linwood – Industrial Disruption, 19 October 1977.

<sup>114</sup> NRS, SEP 4/3999, W. R. C. Bell, Department of Industry, to M. Wake, Department of Employment, and , A. G. Manzie, SEPD/IDS, to Department of Industry colleagues, both 24 October 1977.

<sup>115</sup> STUC, 81<sup>st</sup> *Annual Report, 1978* (Glasgow, 1978), 53-4.

<sup>116</sup> ML, Linwood, TD 758/7/34, 'Observations in Plant', 27 October 1977.

<sup>117</sup> TNA, FV 22/96, Chrysler Linwood Dispute – Note of Discussions at Department of Industry, 2 November 1977.

<sup>118</sup> STUC, 81<sup>st</sup> *Annual Report*, 55.

<sup>119</sup> TNA, FV 22/172, clipping, Arthur Smith, 'Workers in car managements: the dilatory revolution', *Financial Times*, 1 December 1977.

<sup>120</sup> NRS, SEP 4/4000, Millan to Varley, 19 January 1978.

<sup>121</sup> Peter Turner, Industrial Adviser, note to Varley, 15 March 1978, and J. Harrison, Secretary of State's Visit to Linwood, 16 June 1978, both SEP 4/4001, NRS.



curtail the hot environment relief time from fifteen to ten minutes, said to be the industry norm.<sup>122</sup> Employees suspected that management was forcing a production break to run down unsold stock but could not concede the relief time which had been hard won through earlier collective action.<sup>123</sup> A compromise was arrived at by national union officers and Chrysler UK executives, guided by Varley and his officials at the Department of Industry, and all workers restarted on 7 August.<sup>124</sup> That same day, however, Riccardo told Varley in London that Chrysler was selling its UK operations to Peugeot-Citroen (PSA). Varley was perturbed by the suddenness of this turn of events, and the implied abandonment by Chrysler of its Planning Agreement obligations.<sup>125</sup> PSA was compelled by the government to sign a 'Declaration of Intent' with a commitment to maintaining Linwood, although this was 'not legally binding' and qualified by an important caveat: 'to the extent consistent with prevailing market conditions'.<sup>126</sup> PSA's assurances were nevertheless important in generating workforce, union and political anger as the loss of 2,500 jobs in the twelve months to October 1980 was followed by the announcement of total closure in February 1981 with 4,800 redundancies.<sup>127</sup>

Linwood's ending took place within a much-changing political environment. In contrast to its Labour predecessor, Thatcher's Conservative government did not accept an obligation to defend

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<sup>122</sup> TNA, FV 22/96, J. E. Cammell, Chrysler Linwood Dispute, 29 June 1978.

<sup>123</sup> Reilly, Interview; Stobo, Interview.

<sup>124</sup> TNA, FV 22/97, Note of a Meeting at the Department of Industry, 26 July 1978; Note, Linwood Back to Normal, 7 August 1978.

<sup>125</sup> TNA, PREM 16/2121, Note of a Meeting held on Monday 7 August 1978; and Varley to James Callaghan, Prime Minister, 8 August 1978.

<sup>126</sup> NRS, SEP 4/4003, Chrysler UK, Note of Meeting on 19 September 1978, between ministers and officials of Department of Industry and Scottish Office and Chrysler union officials and workplace representatives, including Carty and Livingstone; Terry Dodsworth, 'Government agrees Peugeot takeover of Chrysler UK', *Financial Times*, 29 September 1978, clipping.

<sup>127</sup> NRS, SEP 4/4005, R. Mountfield, Department of Industry, Note, 2 October 1980, and William Clark, 'Linwood men ready to fight for their jobs', *Glasgow Herald*, 22 October 1980, clipping; GCUA, STUC General Council, 15 February 1981.

employment.<sup>128</sup> In the sphere of industrial relations it also embarked in a new direction. Pursuing the right of management to manage, unchallenged by authoritative trade union voice, was a central Thatcherite aim.<sup>129</sup> This diminished the potential for government intervention when firms contemplated disinvestment and large-scale redundancies. Keith Joseph, the Secretary of State for Industry from 1979 to 1981, opposed government subsidy of industrial production and employment.<sup>130</sup> The new approach startled STUC officials when they met Joseph for the first time in December 1979. The Secretary of State asserted that the type of intervention sought by the STUC in support of industry had been ‘tried and found wanting over the last 15 years’. It was not the government’s responsibility, he added, to subsidize goods which consumers were not purchasing.<sup>131</sup> In the winter of 1980-81 government inactivity contrasted vividly with the efforts made by the Labour government to keep Linwood open in 1975. With PSA moving towards announcing the closure of Linwood, Joseph met management representatives along with MPs from affected constituencies. ‘Sir Keith was extremely reluctant to agree to do anything at all’, the official minute recorded.<sup>132</sup> Gavin McCrone, economic adviser to government ministers in Scotland in the 1970s and 1980s, remembers Scottish Office colleagues insulating their territorial interests from public expenditure cuts in the early 1980s.<sup>133</sup> But with Linwood no obvious dissent was expressed at the SEPD, where officials claimed that closure would have limited wider implications. The multiplier effect, accentuated by the same department in 1975, was now said to be insignificant, with only 260 of 5,630 jobs at the Gartcosh and Ravenscraig steel mills affected, and perhaps 1,000 jobs in supply firms threatened.<sup>134</sup>

At the STUC General Council, meeting Linwood union officials and stewards, George Bolton, Vice President of the NUMSA, warned that closure would reduce demand for Scottish steel and coking coal.

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<sup>128</sup> Tomlinson, *Managing the Economy*, 74-80, 229-30.

<sup>129</sup> Martin Adeney and John Lloyd, *The Miners’ Strike, 1984-5: Loss Without Limit* (London, 1986), 3-4.

<sup>130</sup> John Biffen, ‘Keith Joseph (1918-1994), Obituary’, *The Guardian*, 12 December 1994.

<sup>131</sup> GCUA, STUC General Council, Report of Meeting with Sir Keith Joseph, 10 December 1979.

<sup>132</sup> NRS, SEP 4/4005, R. F. Butler, Talbot UK, January 1981.

<sup>133</sup> Gavin McCrone, Interview with Jim Tomlinson, April 2018.

<sup>134</sup> NRS, SEP 4/4006, I. P. Hetherington (SEPD), Effect of Linwood Closure on Employment in Scotland, 16 February 1981.

The government's deflationary economic policy was the chief source of pressure on industrial employment and had to be resisted through 'concerted trade union action', starting at Linwood.<sup>135</sup> But the majority of Linwood workers were unwilling to fight. 'Open the box', many shouted from the floor of a mass meeting in March 1981, discussing whether to accept redundancy or campaign to keep Linwood open. This was an ambiguous reference to the Thames Television gameshow, *Take Your Pick*, popular in the 1960s, where contestants would gamble accumulated prize money by opening a box in the hope of winning a superior prize, a valuable foreign holiday, for instance. At Linwood in 1981 'open the box' had the opposite meaning: avoid gambling on an uncertain future in the factory by accepting the closure and taking the redundancy money, which for many amounted to a year's wages.<sup>136</sup> This was supported by a reported ratio of 2:1. The transient nature of car assembly employment, at least compared with craft production in shipbuilding, is emphasized as a significant factor in this outcome by one ex-Linwood employee.<sup>137</sup>

Linwood workers placed a mock coffin on top of the last car making its way along the assembly line.<sup>138</sup> The closure symbolized the ending of large-scale industrial employment more broadly in Scotland. From 1978 to 1988 the share of employment in industrial categories fell from 39 per cent to 28 per cent.<sup>139</sup> Across all sectors the rate of employment among men aged 16-64 in Scotland fell from 77.6 per cent in March 1981 to 63 per cent in March 1991. In the same decade there was a marginal increase in the employment of women aged 16-64, from 55.7 to 57.7 per cent, although this was increasingly concentrated in lower paid services.<sup>140</sup> Job losses in manufacturing accelerated after 1981 in other parts of the UK, but there were peculiar political consequences in Scotland given the historic

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<sup>135</sup> GCUA, STUC General Council, Special Meeting to discuss Talbot/Linwood Car Plant, Congress Office, Sunday 15 February 1981.

<sup>136</sup> Reilly, Interview.

<sup>137</sup> Peter Hetherington, 'Workers decide to give up fight for car plant', *The Guardian*, 19 March 1981; Stobo, Interview.

<sup>138</sup> *Daily Record*, 26 January 2016.

<sup>139</sup> *Scottish Abstract of Statistics*, 18 (1989), Tables 9.2 (a) and (b).

<sup>140</sup> Registrar General Scotland, *Census 1981 Scotland. Scottish Summary, Volume 2* (Edinburgh, 1984); GRO for Scotland, *1991 Census. Economic Activity. Scotland* (Edinburgh, 1994), Table 11.

dependence on industrial employment. A further shrinkage of support for Conservatism followed the defeat of the miners' strike against colliery closures in 1984-85.<sup>141</sup> While re-elected across the UK with a majority of 102 in 1987, the Conservative government lost eleven of its twenty-one seats in Scotland.<sup>142</sup> In Paisley South, a new constituency close to the site of Linwood and first contested in 1983, Buchan increased Labour's vote share from 41.4 per cent to 56.2 per cent. The STUC re-energized the campaign for Home Rule, helping in 1988 to establish the Scottish Constitutional Convention which brought non-Conservative political parties together with various civic, social and religious forces. This agreed the foundations of the Scottish Parliament that convened in 1999.<sup>143</sup>

## Conclusion

The crumbling of support for Conservatism in the 1980s and renewed interest in the Scottish national question were rooted in debates about the fairness of economic changes that developed from the 1950s. Deindustrialization was seen by labour movement critics in Scotland in political-constitutional terms. Defects in the management of deindustrialization in the 1960s and 1970s were associated by the STUC with the incapacity of UK policy-makers to recognize and accommodate Scotland's distinct economic and social problems. Specifically, the economic security of manual workers and working class communities was jeopardized by the stagnation of new job creation after the peak of employment in the staple industries in the late 1950s and manufacturing in the mid-1960s. This stimulated demands for Home Rule, led initially by coal miners but supported by other trade unionists adversely affected by industrial job losses. From this trade union perspective devolution was seen as a valuable potential means of arresting industrial disinvestment and protecting working class economic security.

After 1979 the trade union case for devolution grew stronger. Moral economy considerations were vital. From the 1950s to the 1970s rival policy-making and popular moral economies had co-existed, mutually reinforcing each other. Workers had expectations of economic stability and a sustainable industrial future, cultivated by the careful manner of deindustrialization's management. The Thatcher governments violated these expectations by abandoning the commitment to protecting

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<sup>141</sup> Jim Phillips, *Collieries, Communities and the Miners' Strike in Scotland, 1984-85* (Manchester, 2012).

<sup>142</sup> Cameron, *Impaled Upon a Thistle*, 320-40.

<sup>143</sup> James Mitchell, *The Scottish Question* (Oxford, 2014, on-line), chapter 10, 'Here's to the Next Time'.

industrial production and employment. The political costs of industrial closures and job losses in the 1980s were therefore incurred by the Conservative Party. Labour gained ground in Scotland, where the Wilson and Callaghan governments' defence of industrial employment was popular. Much like members of Thompson's eighteenth century English crowd, inhabitants of deindustrializing communities in Scotland in the 1980s had a highly developed sense of social justice being overturned by economic changes that were regarded as illegitimate. The feeling was especially acute in communities which had traded the valued assets of coal, metals and shipbuilding in the 1960s to make way for the multinational assembly goods manufacturing which incrementally disappeared in the 1980s.

These politics of devolution were highly visible at Linwood, established with government financial support in 1963 as a means of both mitigating and further advancing the contraction of established industry in west-central Scotland. Moral economy feeling among Linwood's workers was nurtured by the exchange of industrial employment which had taken place, and the substantial movement of population on the promise of a secure future. The history of the plant was highly problematic. Successive employers – Rootes, Chrysler, and finally PSA Peugeot-Citroen – frustrated the workers' moral economy on three related fronts. First, the autonomy of Scottish craft labour was challenged by assembly line production, with frequent disputes arising as the employers sought to impose their managerial prerogative. Chrysler's commitment in 1975-76 to industrial democracy and employee participation proved ephemeral. Second, wages at the plant were higher than the local market average but until 1972 below the UK rates for car manufacturing. This contributed to grievances at Linwood that combined Scottish national resentment with class antagonism. Third, and perhaps most important, employment stability and economic security were recurrently compromised by waves of redundancy, periods of short-time working, and intermittent threats of closure. At Linwood, as elsewhere in Scotland, Labour governments earned a reputation for managing this state of precariousness more sensitively than Conservative governments. Labour politicians defended industrial employment, and attempted to implement the trade union movement's ambitions for a devolved Scottish Parliament that would bolster working class economic security. Scotland's distinct political trajectory accelerated after 1979, but was embedded in the popular moral economy interpretation of the longer history of deindustrialization since the 1950s.